

Attachment X

Evaluation of the Pilot Project

1. As a basis for evaluation, there are (a) the observed scores and performance of individuals and teams in the exercises, (b) the perceptions and feelings of most of the participants, as reported in their answers to the questionnaire, and (c) the views of the Director of Finance and seven division and staff chiefs, as set forth in his memorandum of 29 June 1966 to the Deputy Director for Support (Subject: "Evaluation of the Office of Finance Pilot Project"). Unfortunately, neither quantitative data on production nor critical incidents could be collected to augment the findings.
2. The crucial question is this: did the Grid training cause changes which have led to greater effectiveness and efficiency in the Office of Finance? In answer to this question, the Management Training Faculty has reached the following conclusions:
 - a. Working relationships among people. The greatest positive change took place in this area. There is now more teamwork, better understanding, and a sounder basis for problem solving.
 - b. Communication. Every team in Phase I listed this as a major problem in the Office of Finance. Many individuals and units have now increased their ability to communicate. This is a clear gain.
 - c. Productivity. The evidence is inconclusive. The Director of Finance has not observed any quantitative increase. Four of his division chiefs feel that there has been a measurable improvement in the quality or quantity of work production; three see none. In the questionnaire, 22 supervisors said there has been a significant increase in the amount of work turned out by their subordinates; but 40 did not see this. About half of the officers see a significant increase in the general effectiveness of the work teams they belong to. Creativity was identified as a serious problem during Phase I; again about half of the supervisors have now seen a significant increase in the creativity of their subordinates. Evidently the Grid did not help some units, but they may have seen themselves as fully effective before the Project, and therefore no change.

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- d. Goal Setting. The results of this key aspect of the Project (in effect, "management by objectives") are disappointing. Some teams were not very successful in identifying specific meaningful goals for themselves. Only 26% of the replies on the questionnaire say that significant progress has been made toward these goals, and only 15% say that their team is currently following a systematic plan for improvement. This 15% (9 people) may possibly all be members of the same unit. The Director of Finance mentioned an increased ability and desire to set team goals as a positive benefit of the Project, but only one out of his seven division and staff chiefs made any mention of this activity.
 - e. Phase I. The performance of the Office in Phase I was outstanding in terms of effort, commitment, and accomplishment. Working with these officers was a highly gratifying experience.
 - f. Phase II. This was not as successful as Phase I in terms of results and enthusiasm, partly because of the time lag and other errors previously noted, but primarily because it is a harder exercise. Phase II is not concerned with artificial problems and school theory, but with real life and the solution of actual managerial problems. Although some participants were enthusiastic about it and recognized its potential, the majority apparently found it difficult and somewhat unsatisfactory. A few were completely negative. The Director of Finance feels that the Office received considerably more benefit from Phase I than from Phase II. Of his division chiefs, two rated Phase I as "excellent" and five rated it as "good." Two rated Phase II as "excellent," four rated it as "good," and one as "fair." Some of their remarks indicate incomplete comprehension of Phase II; it should be added that the training officers also had less than complete understanding of Phase II at that time.
3. This being the case, and with all the other negative factors operating, the Management Training Faculty feels that the results obtained were remarkable and very much to the credit of the participants in this Project. It seems clear that the results are not conclusive, in that a number of the findings are quite favorable and others are unfavorable; some individuals and units apparently gained maximum benefit, while others gained none. Future Grid projects will benefit from the experience gained from this pioneer effort.

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4. Cost. The Management Training Faculty feels that the Director of Finance gives a distorted picture of the cost of the Project by adding the salaries of the participants to the cost of consultants and materials. The recorded expenditures were \$17,000, considerably less than the \$25,000 originally estimated.

5. Dilution of the Effort. One negative factor which has been operating to lessen the effect of the training must not be overlooked. Rotation of personnel has brought into the Office a number of individuals who have not had the Grid. As a result, some units are split between "Grid-speakers" and "non-Grid-speakers," a situation not conducive to mutual understanding and the preservation of gains made during the Project.